

**Smuggling of goods from Nepal**

**4138. SHRI RAJU PARMAR:**

**SHRI BHAGATRAM MANHAR:**

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

**(a) whether Nepal has become a free channel for smugglers to import goods into India consequent to Indo-Nepal Treaty of 1996;**

**(b) whether it is a fact that such imports are having adverse impact on our indigenous industry consequent to duty-free imports from that country; and**

**(c) if so, what preventive measures are being taken to avert this adverse impact on our economy and the SSI units in the plastic processing sector from closing down their units?**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH): (a)** The authorities concerned in Government of India have not come across any such cases that show that Nepal has become a free channel for smugglers to import goods into India consequent to Indo-Nepal Treaty to 1996.

**(b)** Representations have been received from some of the Indian industries including the plastic processing units that import of goods from Nepal under Preferential Trading Arrangements provided by the Indo Nepal Treaty of Trade as modified in December 1996 is affecting them adversely.

**(c)** As provided under the above said Treaty, action has been initiated to take up the matter with His Majesty's Government of Nepal to consider steps to be taken to address the issue of surge in imports as well as to review the relevant provisions in the Treaty to safeguard the interest of the Indian industry.